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REPORT TO SHAREHOLDERS

NOVEMBER 29, 1967

file

Andover Mining & Exploration Limited

SUITE 509 - 25 ADELAIDE ST. W., TORONTO 1, ONTARIO

ANDOVER MINING & EXPLORATION LIMITED

OFFICERS

L. J. MOREAUX	-	-	-	-	-	-	-	-	<i>President</i>
D. D. MARTIN	-	-	-	-	-	-	-	-	<i>Vice-President</i>
G. D. PATTISON	-	-	-	-	-	-	-	-	<i>Secretary-Treasurer</i>
R. D. BELL	-	-	-	-	-	-	-	-	<i>Assistant Secretary-Treasurer</i>

DIRECTORS

E. B. ASHTON	-	-	-	-	-	-	-	Thornhill, Ontario
A. J. GRAVELLE	-	-	-	-	-	-	-	Toronto, Ontario
D. D. MARTIN	-	-	-	-	-	-	-	Keswick, Ontario
L. J. MOREAUX	-	-	-	-	-	-	-	Dearborn, Michigan
R. S. WILLMOT	-	-	-	-	-	-	-	St. Catharines, Ontario

TRANSFER AGENT AND REGISTRAR

GUARANTY TRUST COMPANY OF CANADA
Toronto, Ontario

AUDITORS

THORNE, GUNN, HELLIWELL & CHRISTENSON
Toronto, Ontario

HEAD OFFICE

SUITE 509, 25 ADELAIDE ST. WEST - - - Toronto, Ontario

ANDOVER MINING & EXPLORATION LIMITED

To the Shareholders:

Your Company's financial statement for the period from August 1, 1963 to April 30, 1967 with Auditors' Report is submitted herewith.

As of April 30, 1967 the Company held marketable securities consisting of free shares of Crownbridge Copper Mines Limited valued at \$3,525. Subsequent to that date these shares were sold on the market and a portion of the proceeds from sale was used to pay accounts owing by the Company. There have been no other material changes in the financial affairs of the Company since April 30, 1967.

The Company's principal asset is 450,000 escrowed shares of Crownbridge Copper Mines Limited. Crownbridge shares are listed on the Canadian Stock Exchange in Montreal and are currently trading at 10¢ to 12¢ per share. The directors of Crownbridge are now considering an agreement whereunder sufficient funds would be provided for underground development of its drill-indicated ore body. The finalization of such agreement should enhance the value of Crownbridge shares.

Your Company continues to hold 43 unpatented mining claims in the Moss Township area, Thunder Bay Mining Division, Ontario, and exploration work on certain of these claims has been recommended by the Company's mining consultant. This work can be considered only when the Company has sufficient funds. In addition the Company holds under lease four mining claims located in Yates Township, Temiskaming Mining Division, Ontario, and is applying for leases on its four mining claims located in Joan Township, Temiskaming Mining Division.

Since the new security laws in Ontario became effective earlier this year it has been extremely difficult for speculative mining companies to raise funds through the sale of treasury shares. It is hoped that the study being made of this problem through briefs being submitted to regulatory bodies will result in some practical solution which will permit such companies to continue.

On behalf of the Board,

D. D. MARTIN,
Vice-President.

Toronto, Ontario,
November 29, 1967.

ANDOVER MINING & EXPLORATION LIMITED

BALANCE SHEET

April 30, 1967

ASSETS

CURRENT ASSETS

Cash	\$	154	
Marketable securities, at cost (market value \$3,525)		3,525	
Due from director		1,747	\$ 5,426

INVESTMENT IN SHARES OF SUBSIDIARY COMPANY, at nominal value (note 2) .. 1

OTHER INVESTMENTS

Shares, at cost		4,501	
Advances to another mining company		2,100	6,601

MINING CLAIMS AND EXPENDITURES THEREON

Mining claims (note 3)		114,799	
Deferred exploration and development expenditures		7,043	121,842
			<u>\$ 133,870</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities			\$ 2,153
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SHAREHOLDERS' EQUITY

CAPITAL STOCK

Authorized — 5,000,000 shares par value 25¢ each			
Issued — 1,786,348 shares		\$ 446,587	

CONTRIBUTED SURPLUS

		594,804	
		463,087	131,717
			<u>\$ 133,870</u>

DEFICIT

Approved on behalf of the Board:

"D. D. MARTIN", Director.

"R. S. WILLMOT", Director.

AUDITORS' REPORT

To the Shareholders of
Andover Mining & Exploration Limited

We have examined the balance sheet of Andover Mining & Exploration Limited as at April 30, 1967 and the statements of deferred exploration and development expenditures, deficit and administrative expenditures for the period from August 1, 1963 to April 30, 1967. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the aforementioned financial statements present fairly the financial position of the company as at April 30, 1967 and the results of its operations for the period then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period, except for the change in accounting practice explained in note 1, which change we approve.

Toronto, Canada,
August 24, 1967.

THORNE, GUNN, HELLIWELL & CHRISTENSON,
Chartered Accountants.

ANDOVER MINING & EXPLORATION LIMITED

STATEMENT OF DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES

Period from August 1, 1963 to April 30, 1967

BALANCE AT BEGINNING OF PERIOD		\$ 152,121
Expenditures during period		
Abstracts	15	
Survey	1,800	
Extension fees	153	
Report	350	
Staking	225	
Taxes and licenses	1,174	3,717
		<u>155,838</u>
Deduct transfers to deficit		
Expenditures on mining claims sold during period	146,650	
Expenditures on mining claims abandoned	123	
General exploration expenditures	2,022	148,795
DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES AT END OF YEAR		<u>\$ 7,043</u>

SUMMARY

Property	Balance at beginning of period	Expenditures during period	Transfers to deficit	Balance at end of period
Burchell Lake Area, Ontario		123	123	
Moss Township, Ontario	1,220	546		1,766
Townships 168 and 175, Ontario	146,650		146,650	
Yates and Joan Townships, Ontario	3,120	2,157		5,277
General exploration expenditures	1,131	891	2,022	
	<u>\$ 152,121</u>	<u>\$ 3,717</u>	<u>\$ 148,795</u>	<u>\$ 7,043</u>

ANDOVER MINING & EXPLORATION LIMITED

STATEMENT OF DEFICIT

Period from August 1, 1963 to April 30, 1967

DEFICIT AT BEGINNING OF PERIOD			\$ 285,428
Add			
Loss on sale of mining claims (note 3)			
Cost of claims	\$ 1,292		
Exploration and development expenditures thereon	146,650		
		147,942	
Consideration received	23,000	\$ 124,942	
Mining claims written off	350		
Exploration and development expenditures thereon	123	473	
General exploration expenditures		2,022	
Deferred administrative expenditures at beginning of period		61,039	
Administrative expenditures for period		2,717	
Advances to subsidiary company written off		419	191,612
			477,040
Deduct profit on sale of investments			13,953
DEFICIT AT END OF PERIOD			\$ 463,087

STATEMENT OF ADMINISTRATIVE EXPENDITURES

Period from August 1, 1963 to April 30, 1967

Administrative fees	\$ 1,300
Annual report	921
Audit fees	875
Directors' fees	250
Government fees and taxes	215
Interest	650
Legal fees	882
Postage, telephone and telegraph	311
President's salary	3,376
Stock transfer	81
Travel	8,651
General expenses	205
	17,717
Deduct consulting fees	15,000
ADMINISTRATIVE EXPENDITURES FOR PERIOD, TRANSFERRED TO DEFICIT	\$ 2,717

ANDOVER MINING & EXPLORATION LIMITED

NOTES TO FINANCIAL STATEMENTS

Period from August 1, 1963 to April 30, 1967

1. CHANGE IN ACCOUNTING PRACTICE

In prior years, administrative expenditures have been included in deferred expenditures; for the current period these items are reflected in deficit.

Administrative expenditures deferred at beginning of period have been written off to deficit.

2. SUBSIDIARY COMPANY

The accounts of the subsidiary, Cable Copper Mines Limited, have not been consolidated as the subsidiary is inactive and without assets.

3. MINING CLAIMS

The company holds the following mining claims:

43 Patented claims in the Moss Township area, Thunder Bay Mining Division, Ontario, acquired for 21,500 shares of capital stock and \$8,000 cash ..	84,799
4 Claims held under lease in Yates Township, Temiskaming Mining Division, Ontario, acquired for cash	20,000
4 Unpatented claims in Joan Township, Temiskaming Mining Division, Ontario, acquired for cash	10,000
	<u>\$ 114,799</u>

During the period the company sold 38 claims in Townships 168 and 175 to another mining company for 540,000 shares (450,000 escrowed shares) of capital stock of that mining company valued at \$18,000 and \$5,000 cash.

AMERICAN MINING CORPORATION LIMITED

INCORPORATED IN THE UNITED STATES OF AMERICA

Capital and Surplus \$1,000,000.00

OFFICE: 100 WALL STREET, NEW YORK, N. Y.
CHICAGO, ILL. PHOENIX, ARIZ.
DENVER, COLO. SALT LAKE CITY, UTAH

AMERICAN MINING CORPORATION LIMITED is a corporation organized under the laws of the State of New York, and has as its principal office 100 Wall Street, New York, N. Y. The Corporation is authorized to issue capital stock of the par value of \$100.00 per share, and is authorized to issue bonds of the par value of \$100.00 per bond. The Corporation is authorized to issue preferred stock of the par value of \$100.00 per share, and is authorized to issue bonds of the par value of \$100.00 per bond. The Corporation is authorized to issue preferred stock of the par value of \$100.00 per share, and is authorized to issue bonds of the par value of \$100.00 per bond.

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ANDOVER MINING & EXPLORATION LIMITED

Suite 509 - 25 Adelaide Street West
Toronto 1, Ontario

NOTICE OF ANNUAL AND GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Annual and General Meeting of the Shareholders of ANDOVER MINING & EXPLORATION LIMITED will be held at Suite 510, 25 Adelaide Street West, Toronto, Ontario on Wednesday, the 20th day of December, 1967, at the hour of 2:30 o'clock in the afternoon, Toronto Time, to:

- (a) receive and consider the report to shareholders, the financial statements and the report of the auditors;
- (b) elect Directors;
- (c) appoint auditors and authorize the Directors to fix their remuneration;
- (d) to consider and, if approved, to confirm with or without variation, a resolution passed by the directors of the Company decreasing the number of directors of the Company from seven to five, of which two directors shall constitute a quorum;
- (e) transact such other business as may properly come before the meeting or any adjournment thereof.

A copy of the Report to Shareholders accompanies this notice.

Shareholders who are unable to attend the meeting in person are requested to date and sign the enclosed form of instrument of proxy and return it in the envelope provided for that purpose.

DATED at Toronto, this 7th day of December, 1967.

By Order of the Board of Directors,

G. D. PATTISON,

Secretary.

DIRECTORS' RESOLUTION

authorizing decrease in number of directors

BE IT RESOLVED THAT:

- 1. the number of directors of the Company be and the same is hereby decreased from 7 to 5;
- 2. two of the directors of the Company shall constitute a quorum for the transaction of business.

ANDOVER MINING & EXPLORATION LIMITED

Suite 509 - 25 Adelaide Street West
Toronto 1, Ontario

INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This information circular is furnished in connection with the solicitation by the management of Andover Mining & Exploration Limited (the Company) of proxies for use at the Annual and General Meeting of the Shareholders of the Company and at any adjournment thereof to be held at the time and place and for the purposes set forth in the accompanying notice of meeting. The solicitation will be made primarily by mail but it may be that proxies may also be solicited personally by regular employees of the Company at nominal cost. The cost of solicitation by management will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

A SHAREHOLDER DESIRING TO APPOINT ANY PERSON OTHER THAN THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY AS HIS NOMINEE TO ATTEND AND ACT AT THE MEETING FOR HIM MAY DO SO by striking out the printed names in the enclosed form of proxy and inserting the name of his nominee in the blank space provided in the form of proxy.

A shareholder who has given a proxy may revoke the same at any time.

EXERCISE OF DISCRETION

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. IN THE ABSENCE OF SUCH DIRECTION, SUCH SHARES WILL BE VOTED FOR THE APPROVAL OF THE DIRECTORS' REPORT AND FINANCIAL STATEMENTS, AND FOR THE ELECTION OF DIRECTORS, THE APPOINTMENT OF AUDITORS, AND THE DECREASE IN THE NUMBER OF DIRECTORS AS STATED UNDER THOSE HEADINGS IN THIS CIRCULAR. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the meeting. At the time of printing this circular the management of the Company knows of no other matters to come before the meeting other than the matters referred to in the notice of meeting.

VOTING SHARES

On December 7, 1967 the Company had outstanding 1,786,348 shares of 25¢ each, carrying the right to one vote per share so that the aggregate number of votes attaching to all the outstanding shares is 1,786,348. The Directors and senior officers of the Company do not know of any person or company beneficially owning, directly or indirectly, shares carrying more than 10% of the voting rights attached to all shares of the Company.

ELECTION OF DIRECTORS

The Board consists of five Directors to be elected annually. The persons named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below, all of whom are now members of the Board of Directors and have been since the dates indicated. The management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each Director elected will hold office until the Next Annual Meeting and until his successor is duly elected, unless his office is earlier vacated.

The following information is furnished with respect to each person proposed to be nominated for election as a Director:

<u>Name</u>	<u>Became Director</u>	<u>Shares</u>
Louis J. Moreaux of Dearborn, Michigan, is President of the Company, which office he has held since 1958. He is and has been for the preceding five years a retired banker.	1958	5,001
David D. Martin of Keswick, Ontario, is Vice-President of the Company, which office he has held since 1966. He is and has been for the preceding two years the General Manager of Abaco Company of Canada. For three years prior to his appointment as General Manager he was Sales Manager of such company.	1958	3,021
Edward B. Ashton of Thornhill, Ontario, is and has been for the preceding five years President of Ashton Brothers Limited and Ashton and Ashton Limited, investment companies.	1967	1,001
Arthur J. Gravelle of Toronto, Ontario, is and has been for the preceding five years a proofreader with Bryant Press Limited.	1958	10,001
R. Stewart Willmot, P.Eng., of St. Catharines, Ontario, is and has been for the preceding three years President of Thorold Welding Works Ltd. Prior to such time he was self-employed as a Consulting Engineer.	1966	32,001

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

During the period from August 1, 1963 to April 30, 1967 the aggregate remuneration paid by the Company to the Directors and senior officers was \$3,626. During the said period the Company paid \$1,300 to Perry-Pattison Limited for head office accommodation and secretarial services. Messrs. G. D. Pattison and R. D. Bell who are officers of the Company are officers, directors and shareholders of Perry-Pattison Limited.

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the re-appointment of Messrs. Thorne, Gunn, Helliwell & Christenson, Chartered Accountants of Toronto, as auditors of the Company to hold office until the next Annual Meeting of Shareholders. They have been auditors of the Company for more than five years.

December 7, 1967.

THE HISTORY OF THE UNITED STATES

The history of the United States is a story of a people who have grown from a small colony of English settlers to a great nation. The story begins in 1492 when Christopher Columbus discovered the New World. The first English settlers came to the United States in 1607. They were the Pilgrims, who came to the Massachusetts Bay. They were followed by other settlers from England, France, and other countries. The United States grew and grew, and by 1776 it had become a nation. The American Revolution was fought in 1776. The United States won the war and became a free nation. The United States has since grown and grown, and it is now one of the most powerful nations in the world.

The United States is a country of many people. There are many different kinds of people living in the United States. There are people of many different colors, and people of many different religions. The United States is a country of many different languages. The United States is a country of many different customs and traditions. The United States is a country of many different people, and it is a country of many different things.

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